



Indiana Economic Development Corporation

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July 14, 2009

Melissa L. Coxey
Staff Attorney
Alcohol and Tobacco Commission

Dear Ms Coxey:

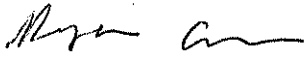
Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with rule changes proposed by the Alcohol and Tobacco ("Commission") and contained in LSA Document 09-198. The proposed rule amends 905 IAC 1-1 2.5 concerning server training. The rule adds a certification program for alcoholic beverage servers. The provisions of the rule require that individuals who serve alcoholic beverages must complete a certification program for serving alcoholic beverages. Previously, individual servers could be covered under their employers certifications. The commission estimates that up to 9,400 businesses will be impacted by this rule. Businesses may elect to pass costs associated with this rule onto their servers, in which case up to 113, 638 alcoholic beverage servers could be affected.

The Commission estimates that the total economic impact on small businesses as a result of the proposed rule will be less than \$500,000 statewide. It is difficult to determine the exact cost on any single business, because the cost of complying with the rule will vary based on the method by which businesses elect to carry out the requirements of the rule. The Commission estimates that the incremental cost, per server, of complying with the rule could range from \$0 to \$30 depending on the method selected. The Commission also estimates that small businesses will incur some nominal administrative expenses resulting from the proposed rule.

The IEDC does not object to the economic impact for small businesses associated with this proposed rule. The statement provided by the Commission indicates that the total economic impact on small businesses is market driven. Additionally, the Commission indicates that the cost of compliance with the rule can be minimized through in-house training programs and grants available from the federal government, private corporations and some not for profits. The provisions of the rule are necessary to comply with a state mandate, and the alternative of a state administered certification program would be cost prohibitive to the state and the Commission and would also crowd out legitimate avenues for training that already exist in the market. The Commission believes that the provisions of the rule represent the most cost effective means of carrying out the Commission's responsibilities while also provide affected entities with several options to manage the associated costs in complying with the rule.

If you have any questions about the comments contained herein please contact me at 232-8962
or rasberry@iedc.in.gov.

Regards,

A handwritten signature in black ink, appearing to read "Ryan Asberry", followed by a horizontal flourish.

Ryan Asberry
Assistant Vice President